

State of South Dakota

EIGHTY-EIGHTH SESSION LEGISLATIVE ASSEMBLY, 2013

915U0350

SENATE BILL NO. 91

Introduced by: Senators Begalka, Lucas, and Otten (Ernie) and Representatives Nelson, Hickey, Kaiser, Kopp, Olson (Betty), Parsley, Peterson, Russell, and Stalzer

1 FOR AN ACT ENTITLED, An Act to reduce the rate for the contractor's excise tax over a
2 period of time and to repeal the contractor's excise tax in three years.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 10-46A-1 be amended to read as follows:

5 10-46A-1. There is imposed an excise tax upon the gross receipts of all prime contractors
6 engaged in realty improvement contracts, at the rate of ~~two~~ one and one-half percent.

7 Section 2. That § 10-46B-1 be amended to read as follows:

8 10-46B-1. There is imposed an excise tax upon the gross receipts of all prime contractors
9 and subcontractors engaged in realty improvement contracts for those persons subject to tax
10 under chapter 10-28, 10-33, 10-34, 10-35, 10-36, or 10-36A or any municipal telephone
11 company subject to chapter 9-41 or any rural water system, at the rate of ~~two~~ one and one-half
12 percent. Notwithstanding the provisions of this section, the tax imposed by this chapter does not
13 apply to the construction of a power generation facility as defined by § 10-45B-1.

14 Section 3. That § 10-46A-1 be amended to read as follows:

15 10-46A-1. There is imposed an excise tax upon the gross receipts of all prime contractors



engaged in realty improvement contracts, at the rate of ~~two~~ one percent.

Section 4. That § 10-46B-1 be amended to read as follows:

10-46B-1. There is imposed an excise tax upon the gross receipts of all prime contractors and subcontractors engaged in realty improvement contracts for those persons subject to tax under chapter 10-28, 10-33, 10-34, 10-35, 10-36, or 10-36A or any municipal telephone company subject to chapter 9-41 or any rural water system, at the rate of ~~two~~ one percent.

Notwithstanding the provisions of this section, the tax imposed by this chapter does not apply to the construction of a power generation facility as defined by § 10-45B-1.

Section 5. The provisions of sections 3 and 4 of this Act are effective on July 1, 2014.

Section 6. That § 10-46A-1 be amended to read as follows:

10-46A-1. There is imposed an excise tax upon the gross receipts of all prime contractors engaged in realty improvement contracts, at the rate of ~~two~~ one-half percent.

Section 7. That § 10-46B-1 be amended to read as follows:

10-46B-1. There is imposed an excise tax upon the gross receipts of all prime contractors and subcontractors engaged in realty improvement contracts for those persons subject to tax under chapter 10-28, 10-33, 10-34, 10-35, 10-36, or 10-36A or any municipal telephone company subject to chapter 9-41 or any rural water system, at the rate of ~~two~~ one-half percent.

Notwithstanding the provisions of this section, the tax imposed by this chapter does not apply to the construction of a power generation facility as defined by § 10-45B-1.

Section 8. The provisions of sections 6 and 7 of this Act are effective on July 1, 2015.

Section 9. That §§ 10-46A-1 to 10-46A-19, inclusive, be repealed.

Section 10. That §§ 10-46B-1 to 10-46B-18, inclusive, be repealed.

Section 11. The provisions of sections 9 and 10 of this Act are effective on July 1, 2016.